

CREDIT UNION DIVISION[189]

Adopted and Filed

Rule making related to education requirements

The Credit Union Division hereby amends Chapter 2, “Organization, Chartering and Field of Membership of a Credit Union,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 533.104 and 533.107.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 533.113A, 533.205(3)“c,” and 533.205(3)“g.”

Purpose and Summary

This amendment codifies the Division’s expectations regarding state credit union boards of directors’ education requirements and is comparable to requirements for federally chartered credit unions’ boards of directors.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 25, 2021, as **ARC 5880C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Credit Union Review Board on September 29, 2021.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 189—Chapter 23.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on January 19, 2022.

The following rule-making action is adopted:

Amend rule 189—2.9(533) as follows:

189—2.9(533) Board of directors ~~meeting~~ requirements.

2.9(1) The board of directors shall hold at least 12 regular meetings each calendar year. No more than one regular meeting shall be held in one calendar month.

2.9(2) A quorum shall be required to undertake any credit union business and required at any meeting of the board of directors called by the superintendent pursuant to Iowa Code chapter 533.

2.9(3) A director or committee member must be able to read and understand the credit union's balance sheet and income statement, have a working knowledge of basic finance and generally accepted accounting principles (GAAP) utilized in the credit union, be able to understand the risk found in depository institutions and credit union board governance, and understand the internal control structures of the credit union. If a director or committee member does not have the requisite skills when elected or appointed, the director or committee member must obtain these skills in a timely manner, not to exceed 12 months.

This rule is intended to implement Iowa Code sections ~~533.205(3)“e”~~ 533.205(3)“c,” 533.205(3)“g,” and 533.113A.

[Filed 11/24/21, effective 1/19/22]

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